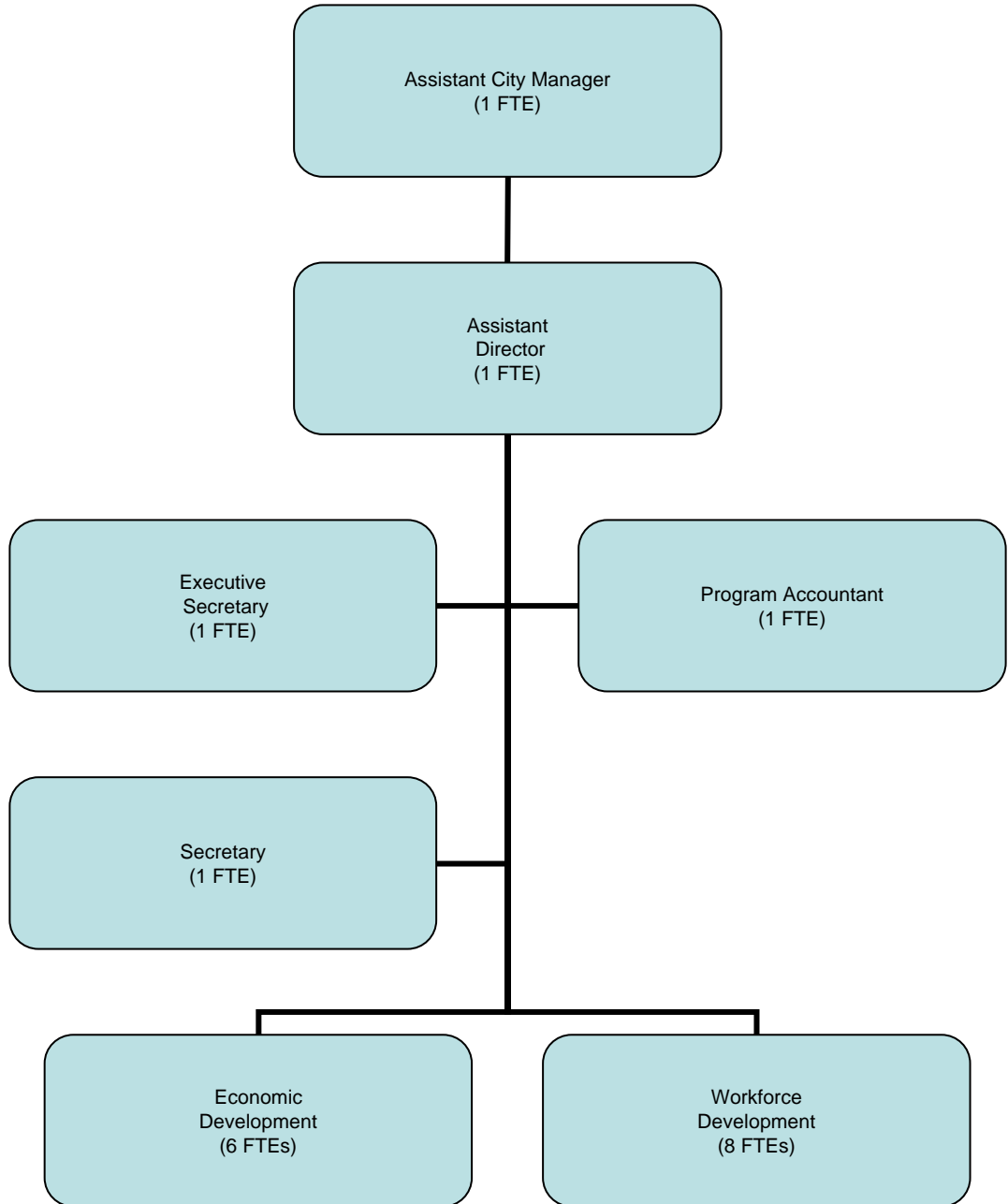




Office of Economic & Workforce Development (19 FTEs)



OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT

Mission:

To develop and administer programs that generate quality jobs for Durham residents, train and place residents in jobs leading to self-sufficiency, support commercial revitalization and contribute to the non-residential tax base with an emphasis on central Durham.

PROGRAM DESCRIPTION

Downtown Redevelopment

\$3,330,845

19 FTEs

This core service provides resources for the commercial redevelopment of downtown in partnership with Downtown Durham Inc. (DDI). Services include technical assistance, redevelopment, project coordination and business assistance. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high quality jobs, reducing poverty and enhancing the downtown tax base. Services are provided to businesses, property owners, developers and individuals. The economic development team will implement the responsibilities of this core service with an emphasis on the completion of major projects, in collaboration with the services provided by DDI.

Business and Workforce Development Services

This core service provides resources for business development throughout the City of Durham. Working in partnership with the Durham Chamber of Commerce, services include technical assistance, referral information, workforce development, project assistance, incentive management, regulatory information and coordination, and property assistance. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high-quality jobs, reducing poverty and enhancing the tax base of the City. Services are provided to businesses, property owners, developers and individuals. There is an emphasis placed on small businesses and Small Disadvantaged Business Enterprise (SDBE) development. The economic development team and the workforce development team, in coordination with the Durham Chamber of Commerce and other small business assistance organizations, implement the responsibilities of this core service.

Neighborhood Commercial Redevelopment

This core service provides resources to support the commercial redevelopment of Durham's neighborhoods. Services include technical assistance, redevelopment, project coordination, small business assistance (including SDBE firms), workforce development, planning activities, incentive management and regulatory information. These services are provided to implement the Council goal of a prosperous economy by retaining and creating high-quality jobs, reducing poverty and enhancing the tax base of the City. Services are provided to businesses, commercial property owners, individuals seeking employment, community-based organizations and developers. The economic development team and the workforce development team implement the responsibilities of this core service in cooperation with community-based and development-based organizations.

University-Led Development

This core service provides resources and works with the higher education institutions in Durham to maximize economic development opportunities for businesses and residents of Durham. This service involves interacting with the development and business assistance services available at Durham's universities. Services are provided to implement the Council goal of a prosperous economy by retaining and creating high-quality jobs, reducing poverty and enhancing the tax base. They include assisting these institutions with their master plan development, targeting business development opportunities and accessing small business assistance programs. The economic development team and the workforce development team implement the responsibilities of this core service in conjunction with the universities.

RESOURCE ALLOCATION

	Actual FY 2005-06	Adopted FY 2006-07	Estimated FY 2006-07	Adopted FY 2007-08	Change
<i>Non-Grant</i>					
Appropriations					
Personal Services	\$ 601,100	\$ 640,605	\$ 535,483	\$ 724,689	13.1%
Operating	388,568	332,514	668,690	458,939	38.0%
Capital	-	-	-	-	0.0%
Other	-	167,428	-	351,623	110.0%
Total Appropriations	\$ 989,668	\$ 1,140,547	\$ 1,204,173	\$ 1,535,251	34.6%
Full Time Equivalents	9	8	8	9	1
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 967,042	\$ 1,111,145	\$ 1,183,718	\$ 1,508,849	35.8%
Program	22,626	29,402	20,455	26,402	-10.2%
Total Revenues	\$ 989,668	\$ 1,140,547	\$ 1,204,173	\$ 1,535,251	34.6%
<i>Grants</i>					
Appropriations					
Personal Services	\$588,136	\$ 654,884	\$ 508,037	\$ 503,749	-23.1%
Operating	1,840,729	1,613,613	1,972,836	1,291,854	-19.9%
Total Appropriations	\$ 2,428,865	\$ 2,268,497	\$ 2,480,873	\$ 1,795,603	-20.8%
Full Time Equivalents	11	11	11	10	-1
Part Time	-	-	-	-	-
Revenues					
EPA Brownfields	\$ -	\$ 200,000	\$ 200,000	\$ -	-100.0%
Employment Training Grants	2,290,235	1,795,643	2,155,363	1,331,042	-25.9%
Parrish Street Project	84,146	212,326	74,530	239,773	12.9%
Cultural Master Plan	54,484	60,528	50,980	224,788	271.4%
Total Revenues	\$ 2,428,865	\$ 2,268,497	\$ 2,480,873	\$ 1,795,603	-20.8%
Total Budget	\$ 3,418,533	\$ 3,409,044	\$ 3,685,046	\$ 3,330,854	-2.3%

BUDGET ISSUES FOR FY 2007-08

- Funding for staff training at the Economic Development Institute
- Funding for tuition reimbursements

UNFUNDED OR UNDERFUNDED ITEMS

• Neighborhood Commercial Revitalization Fund	\$1,465,140
• Downtown Revitalization Fund	\$813,967
• Downtown and Commercial Loan Program	\$350,000
• Business Incentive Fund	\$350,000

COMPLETED INITIATIVES FOR FY 2006-07

- Announced 2,500 new jobs by new/expanding businesses.
- Announced \$410 Million in new investments by new/expanding businesses.
- Held successful State of Durham's Economy Breakfast.
- Completed contracts for \$44 Million Durham Performing Arts Center. Construction began in December 2006.
- Started construction of \$148 Million West Village II project.
- Secured \$1 Million Economic Development Administration Grant to help defray costs of West Village II Streetscape improvements.
- Secured Durham Athletic Park Preferred Developer Designation.
- Implemented "Home Grown Business" initiative.
- Closed \$28,000 Opportunity Loan with CDBG funding.
- Completed 3 Neighborhood façade grants.
- Completed 2 Merchandise Based Retail Incentive grants.
- Approved of Neighborhood Assessment and Plan to direct development of central Durham neighborhood commercial areas.
- Received \$200,000 grant by the US Environmental Protection Agency to assess the level of contamination of properties along the Pettigrew Street corridor.
- Displayed 4 25 foot commemorative banners noting history of the Parrish Street Project Area.
- Adopted of Business Development Plan to promote commercial revitalization on Historic Parrish Street.
- Completed sale of Parrish Street Woolworth site to developers.
- Adopted of Interpretive Plan for Historic Parrish Street.
- Received approval of implementation plan for 13 Cultural Master Plan initiatives totaling \$251,000.
- Provided business advocacy services to 30 small businesses.
- Conducted 3 Small Business Expos in targeted neighborhoods.
- Completed Comprehensive Small Business Plan.
- Received Council approval to allocate \$412,428 to 4 public/ private partnerships in targeted neighborhood commercial areas to promote job creation and economic development.
- Opened Historic Parrish Street Project office in July 2006.
- Expanded Targeted Community Development Areas to include Holloway Street between Alston Avenue and Miami Boulevard.
- Assisted St. Joseph Historic Foundation to secure Mary Duke Biddle Foundation award and partnered with St. Joseph Historic Foundation on Golden Leaf Foundation grant totaling \$350,000.
- Durham Cultural Master Plan Board awarded Parrish Street Advocacy Group \$10,000 to assist with a public art project.
- Placed 100 youth in year-round employment and/or training opportunities.
- Placed 81 youth in summer employment positions.
- Met or exceeded 12 of 17 state-negotiated performance goals.
- Held targeted job fair for 52 laid-off Palmetto GBA employees, attracting employers such as AICPA, UNC Health Care System, ACC Staffing, and Blue Cross Blue Shield of NC. Over 20% of the participants were offered jobs with job fair businesses.
- Recruited employees for Honey Baked Ham filling 65% of hiring needs for full-time staff and holiday workers.
- Placed 79 Hurricane Katrina evacuees in training and/or employment opportunities.
- Forged new partnerships with the System of Care (community workgroup to streamline services for families), and the Juvenile Crime Prevention Council (JCPC) Gang Intervention Team.
- Awarded Incumbent Worker grants to Nortel and Samnina funding training for 34 employees in Six Sigma Total Quality Management Principles.
- Held Healthcare Forum for area healthcare businesses including: Treyburn Healthcare, Durham Technical Community College, Durham VA Medical Center and 5 separate divisions within the Duke University Healthcare System.
- Customer traffic at the JobLink Center and Systems was 60,570.
- Filled 1,013 job orders through the JobLink Career Center (based upon 3/1/06 – 1/31/07 data).
- Received "Proficient" to "Excellent" results on JobLink Job Seeker Customer Satisfaction Survey.
- Placed a total of 101 ex-offenders in employment and training.

- Launched quarterly roundtable initiative for ex-offender service providers (i.e. employment, education/training, probation/parole, substance abuse, and housing), sharing training opportunities, and job development opportunities with businesses that hire ex-offenders.

DEPARTMENT INITIATIVES FOR FY 2007-08

- Continue to implement major downtown projects.
- Work with DDI to update the Downtown Master Plan.
- Complete Development Agreement for Gateway Village public/private partnership.
- Complete Development Agreement for Heritage Square/Golden Belt public/private partnership.
- Complete Development Agreement for Durham Athletic Park public/private partnership.
- Issue Requests for Proposal for Durham Station development.
- Restructure loan programs.
- Monitor construction of the Durham Performing Arts Center.
- Continue to build relationships with area colleges and universities.
- Continue to improve the workforce development system and integrate it further into the job creation processes.
- Continue to serve the needs of the business community.
- Continue to implement the Cultural Master Plan.
- Continue to implement the redevelopment of targeted neighborhood commercial areas.
- Continue to implement visible improvements to Historic Parrish Street.
- Continue to provide support for Sister Cities.
- Maintain a strengthened small business agenda.
- Financially support the Toyama Tea House in Sarah Duke Gardens.
- Expand WHOA Summer Youth Program to serve 25 more students.

GOALS, OBJECTIVES & STRATEGIES FOR FY 2007-08

GOAL: *Durham enjoys a prosperous economy.*

OBJECTIVE: **Redevelopment**

To promote long-term economic growth through ongoing downtown and neighborhood redevelopment efforts.

STRATEGIES: DOWNTOWN

- Implement four major projects: Parrish Street, Durham Station, Durham Athletic Park and Gateway Project.
- Enhance the Downtown Loan Program to attract more eligible clients.
- Maintain the Merchandise-Based Incentive Program and Façade Program.
- Implement five-year review of Downtown Master Plan.
- Analyze benefits of enacting a downtown Business Improvement District.

STRATEGIES: NEIGHBORHOOD REVITALIZATION

- Enhance financial services to Targeted Community Development Areas, including Façade Program, Merchandise Based Incentive Program and Commercial Loan Program.
- Further develop the small business services agenda per the small business comprehensive plan
- Develop public/private partnerships in concert with the Neighborhood Assessment and Plan using the resources of the Neighborhood Revitalization Fund.
- Implement Northeast Central Durham EPA Brownfields grant.
- Develop design concepts and begin engineering for Targeted Community Development Area streetscapes.
- Market Targeted Community Development Area commercial districts.
- Enhance neighborhood residents' ability to receive employment in targeted industry jobs (Workforce Development Strategic Plan).

	Actual FY 2006	Adopted FY 2007	Estimated FY 2007	Adopted FY 2008
MEASURE: (Per capita growth) Assist in increasing per capita income of Durham residents above current levels*	\$31,129	\$31,129	\$32,649	\$32,649

	Actual FY 2006	Adopted FY 2007	Estimated FY 2007	Adopted FY 2008
MEASURES: (Tax Base growth) ** Assist in increasing the tax base in the following geographic categories				

Northeast Central Durham	\$188 M	\$188 M	\$193.7 M	\$193.7 M
Downtown Tier ***	\$464 M	\$464 M	\$557.1 M	\$557.1 M
State Economic Dev. Zone (excluding Downtown)	\$3.6 B	\$3.6 B	\$3.9 B	\$3.9 B
Citywide (commercial/industrial only)	\$4.8 B	\$4.8 B	\$5.0 B	\$5.0 B

* Figure is only available on an annual basis.

** These are broad community measures that OEWD can have a positive impact on by carrying out its goals and objectives. There are, however, a number of outside factors that can affect these measures that are outside the control of OEWD.

*** Area of downtown has changed to include the "Downtown Tier" as defined by the City Council through the Durham Comprehensive Plan adopted 2/28/2005.

NOTE: The revaluation process being undertaken by the County Tax Office may dramatically skew future totals during this fiscal year.

OBJECTIVE: Business Growth

To increase employment opportunities and maximize immediate economic growth by supporting the formation, retention, expansion and relocation of businesses, and by partnering with the three local colleges and universities: Duke, North Carolina Central University and Durham Technical Community College.

STRATEGIES: BUSINESS AND WORKFORCE

- Assist new companies in the start-up stage.
- Assist small and medium-to-large businesses to retain, expand or relocate jobs to Durham.
- Continue a minority outreach strategy with EOE.
- Continue the HomeGrown Business program.
- Market the Merchandise-Based Incentive Program.
- Expand the workforce development initiative, putting Durham residents to work.
 - Strategic Plan
 - JobLink
 - Career Ladder Initiative
 - Connecting to emerging jobs
 - Youth
 - Target high-growth industries in healthcare, higher education, life sciences, and computer systems.

STRATEGIES: UNIVERSITY-LED DEVELOPMENT

- Capture spin-off opportunities from Duke and NCCU research, especially in biotechnology.
- Collaborate on workforce development issues.
- Collaborate on small business assistance.
- Collaborate on redevelopment priorities.

	Actual FY 2006	Adopted FY 2007	Estimated FY 2007	Adopted FY 2008
MEASURE: (New Job Growth) Assist in creation of new jobs for Durham residents	700	700	2,500	700

MEASURES: (Joblink Visibility)	Actual FY 2006*	Adopted FY 2007	Estimated FY 2007 **	Adopted FY 2008***
Job orders received through Joblink	2,408	2,861	3,852	3,600
Job orders filled through Joblink	1,013	1,638	1,620	1,500
Individuals placed in employment	2,520	2,511	3,780	3,600

MEASURE:	Actual FY 2006	Adopted FY 2007	Estimated FY 2007	Adopted FY 2008
% of Ex-Offender Program participants still employed 6 months after start date	N/A	N/A	N/A	75% ****

* based on full year from 3/1/06 to 3/1/07.

** based on 3/1/06 to 6/30/07 projections.

*** based on 3/1/07 to 6/30/08 projections.

**** Ex-Offender retention figures were not tracked previously, no existing benchmark.